



State Notes

TOPICS OF LEGISLATIVE INTEREST

May/June 2002

PRISON CAPACITY REVIEW: TODAY, TOMORROW, AND BEYOND by Bethany Wicksall

Introduction

The appropriation process for fiscal year (FY) 2001-02 and FY 2002-03 included a number of changes in the Department of Corrections (DOC). The declining economic condition of the State as well as changing trends in prisoner populations necessitated a reorganization of DOC facilities. The reorganization included postponing the opening of one prison and a number of expansion units, closing and reopening certain facilities, converting security levels, and instituting double-bunking. More than 2,500 additional beds are funded for FY 2002-03, but the total funded capacity will be only 1,300 beds over the number originally appropriated for in FY 2001-02. This article provides a brief explanation of how these capacity changes came to be, how they affect DOC costs, and what they might mean for the near future.

FY 2001-02

The FY 2001-02 DOC budget initially included partial-year funding for a new facility. The Department had originally planned to open the 1,500-bed Bellamy Creek facility in Ionia in July 2001, but in the years since construction had begun, the prisoner population had grown less than projected and eliminated the need to open the facility at that time. The DOC subsequently estimated that population growth would not require opening the facility until FY 2002-03, so the FY 2001-02 Governor's recommended budget was decreased \$10.3 million.

Having Bellamy Creek available but unnecessary provided the DOC with an opportunity to move the population temporarily from nearby Michigan Reformatory to Bellamy Creek, in order to close Reformatory for some needed renovation. The Conference Committee on the DOC budget moved appropriations for Michigan Reformatory into the inmate housing fund line item to facilitate this possibility. The purpose of the inmate housing fund is to provide funds for the care and custody of prisoners not elsewhere appropriated for, and in this case, it allowed the DOC flexibility in its plan and time-line for the Michigan Reformatory renovation and transition to Bellamy Creek.

The FY 2001-02 appropriation also included full-year funding for a new 240-bed unit at Thumb correctional facility as well as partial-year funding to open two new 240-bed units at the Macomb and Saginaw correctional facilities when population growth made it necessary. These units were constructed during FY 1999-2000, but had not been opened because the additional beds were not needed at the time.

Executive Order 2001-9

As FY 2001-02 began, it became apparent that revenues would not reach expectations and State expenditures would have to be cut in order to balance the budget. In November, as part of Executive Order 9 of 2001 (E.O. 2001-9), the DOC took \$54.9



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million in budget cuts, 75% of which came from closing facilities, reorganizing prison capacity, and reducing institutional staff. Table 1 lists each institutional change and its impact on prison bed capacity. The Department closed Camp Pugsley, the oldest and smallest facility in the camp system, as well as the Pontiac Corrections Center, a transitional facility for prisoners moving toward parole. The need for these corrections centers is declining as truth-in-sentencing eliminates the possibility of early release from prison. The DOC also used this opportunity to close Michigan Reformatory and Jackson Maximum and open Bellamy Creek permanently. Because Bellamy Creek has more beds and is a new prison, it can be operated more efficiently, housing a higher population for less cost, compared with the two older prisons. Converting the Southern Michigan Prison from a high security Level IV to a lower security Level II and double-bunking its cells provided the remaining bed space needed after opening Bellamy Creek was opened.

Table 1: FY 2001-02 Executive Order Facility Changes

Facility	Number of Beds
Close Pontiac Corrections Center	(162)
Close Camp Pellston	(140)
Close Jackson Maximum Correctional Facility	(1,556)
Close Michigan Reformatory	(1,008)
Open Bellamy Creek Correctional Facility	1,500
Double-bunk and convert security levels at Southern Michigan Correctional Facility	600
Total	(766)

Source: Department of Corrections

Executive Order 2001-9 decreased the total number of DOC beds by 766 and reduced full-time equated (FTE) positions by 805. Despite the large reduction in staff levels, the DOC has managed to implement the changes thus far by laying off fewer than 100 employees, although additional layoffs might be still possible as the Department implements final changes.

FY 2002-03

Although the FY 2002-03 budget is even tighter than the FY 2001-02 budget, the Executive recommendation as well as both of the original Senate- and House-passed substitutes for the DOC budget included \$28.4 million in additional General Fund/General Purpose (GF/GP) dollars. Target agreements exempted the DOC from the 1% across-the-board cuts most of the other departments are facing, but implemented GF/GP savings of \$7.8 million through the replacement of only 1:4 employees who opted to participate in the early retirement program. The DOC, however, may replace 1:1 correctional facility staff and 1:2 parole and probation officers.



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Overall, this budget represents a 1.3% increase from FY 2001-02 year-to-date GF/GP appropriation.

The largest increase in the DOC budget is a result of the need for additional prison beds. The cost of additional capacity is partially offset by \$15.1 million in annualized savings from staff reductions and facility closures implemented under E.O. 2001-9. The FY 2002-03 budget appropriates \$10.9 million in full-year funds for additional beds to be opened by October 1, 2002, at the Crane and Bellamy Creek correctional facilities as well as Camp Brighton, and it provides \$10.1 million in partial-year funding for beds opening later in FY 2002-03. The DOC will accomplish the latter additions by double-bunking remaining portions of Camp Lehman and Riverside correctional facility and reopening parts of Michigan Reformatory and Jackson Maximum under nearby parent facilities, so as to save administrative costs. The DOC also will save \$1.9 million by again postponing the opening of the drop-in units at Macomb and Saginaw correctional facilities until FY 2002-03 and carrying forward the funds appropriated for this purpose from the current fiscal year to FY 2002-03. Table 2 summarizes the capacity changes in order of their opening date. These changes also will require an additional 396 FTE positions, which would replace just under half of the staff level reductions taken in E.O. 2001-9.

Table 2: FY 2002-03 Facility Changes			
Facility	Open Date	Beds	Additional Appropriation
Crane Correctional Facility	Jan-02	160	\$641,100
Camp Brighton	Oct-01	50	
	Oct-02	80	\$3,442,000
Bellamy Creek Correctional Facility	Oct-02	180	\$6,822,100
Camp Lehman	Jan-03	240	\$2,410,600
Saginaw Correctional Facility	Feb-03	240	(\$1,104,600)
Macomb Correctional Facility	Mar-03	240	(\$819,700)
Riverside Correctional Facility	Apr-03	210	\$1,287,900
Jackson Maximum Correctional Facility	May-03	200	\$4,060,900
	Jun-03	300	
	Jul-03	145	
Michigan Reformatory	Jul-03	200	
	Aug-03	300	\$2,392,700
Total		2,545	\$19,133,000

Source: Department of Corrections

FY 2003-04 and Beyond

A number of short-term changes in E.O. 2001-9 allowed the DOC to cut spending by \$59 million in FY 2001-02 as well as reduce staff and funded capacity, but the growing



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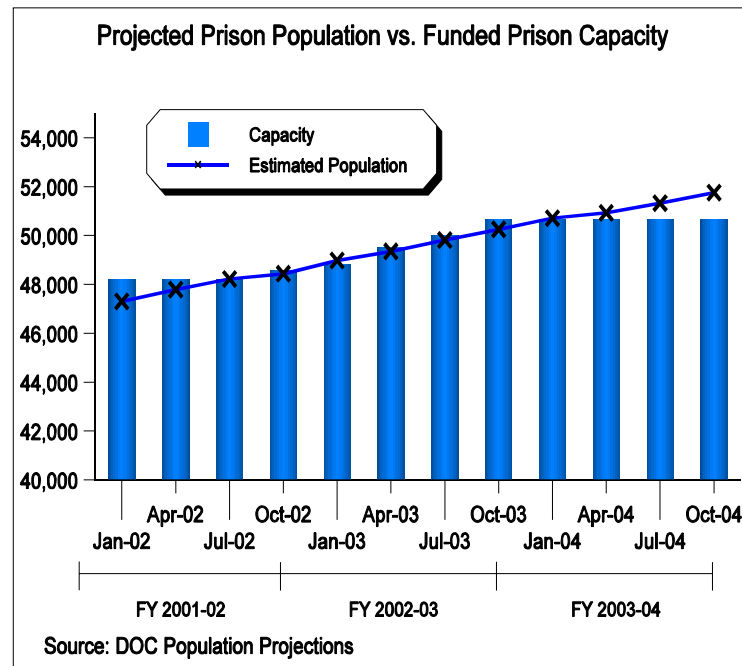
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prisoner population already requires an additional \$19.1 million for almost 400 more FTE positions and over 2,500 beds in FY 2002-03. This represents an overall increase of 1,300 beds and a decrease of 550 FTEs from the original FY 2001-2002 appropriation. What might this mean for FY 2003-04 and beyond?

Although the population had been growing at a slower rate leaving the Department with excess capacity, it now appears that the population is growing more quickly. While the prison population grew 3.3% during 2001 and is on pace to grow 5.8% in 2002, the rate of increase in that growth accelerated from 13.2% between calendar years 2000 and 2001 to almost 85% from calendar years 2001 to 2002, if it is assumed that growth during the first six months of this year is representative of growth for the whole year. Because of this unexplainably rapid growth, the DOC has yet to release its annual three- and five-year prison population projections as the Department attempts to determine the cause of the growth in order to establish accurate predictions for the future. Figure 1 uses the 2001 projections to compare the prison population and capacity. The additional beds funded for FY 2002-03 are scheduled to open as the population

Figure 1

increases, but by the end of FY 2003-04, the Department might need another 1,000 beds. If population growth continues to accelerate, that number could be even higher. These beds most likely would come from opening the remaining portions of Jackson Maximum and Michigan Reformatory, which would necessitate both additional custodial staff and additional administrative staff as the facilities again would become independent of their parent facilities.



If the population continues to grow at this rate once these two prisons are filled, additional construction will be required in order to accommodate the growth, possibly by the end of FY 2003-04 and definitely during FY 2004-05. Thus, despite attempts to cut costs during FY 2001-02, it appears that DOC expenditures and capacity needs are already rising and will continue to do so unless long-term policies that affect the growth of the prisoner population are considered.